

Boater Revolving Fund (MAC Grants) Process & Procedures for Recipients

Purpose: This narrative is designed to familiarize the recipient of marine grants, frequently referred to as “MAC Grants”, with the processes for approval and expenditure of awarded funds.

Marine Advisory Committee (MAC): MAC is a County organization that functions as the originator of marine-related ideas. It’s comprised of veteran boaters from our community with an interest in the betterment of Charlotte County waterways. They advise the Board of County Commissioners (BCC) on projects that advance marine interests in the County, increase water safety, environmental restoration, boater education, and improved water access. The BCC requests a recommendation from the MAC on four types of marine-related grant funding. Though referred to as “MAC Grants”, the official name of the fund for these grants is the “Boater Revolving Fund”. MAC does not “approve” grants. They provide the BCC a recommendation on grant applications for marine-related awards. This recommendation is only the first step in a complex process.

Boater Revolving Fund Grant Types: Four grant types make up the Boater Revolving Fund. One is state, one is county, and two are reimbursement grants from another agency.

Boater Improvement Fund - State (BIF-S): The state grant revenue comes from fees charged when you register your boat. The state funnels some of this money back to the county. These funds are restricted for use in Navigation Improvement, Debris Removal, and improved boater access. That would include things like channel markers, abandoned vessel removal, trees floating in the water, and building public boat ramps.

Boater Improvement Fund – Local (BIF-L): The BIF-L revenue is also derived by boater registration fees. It’s an optional fee that most counties have opted to charge. This fund is less restrictive in its criteria and can be spent on everything the state allows, plus almost any other boater-related activity.

West Coast Inland Navigation District (WCIND): WCIND is not a Charlotte County organization. It is part of the Florida Waterway Development Program. Headquartered in Venice, the organization mandates marine grant management for Charlotte, Sarasota, Lee, and Manatee counties. WCIND money comes from property taxes.

County Navigation Improvement Fund (CNIF): CNIF is a highly restrictive grant administered by WCIND. It is for navigation improvement only and is generally reserved by counties to support hazardous marine situations and unexpected catastrophic events.

The Grant Period: Boater Revolving Fund grants are from October 1 to September 30 of the following year. And though the application process takes almost 10 months, the awards for money cannot be spent until the award period begins; October 1st of the approval year.

The MAC Application: The first step in the MAC grant process is filling out a general MAC application. This application will ask the applicant about the project and requires a project budget. The solicitation for applications generally occurs in December and is for the grant period beginning in October of the following year. Several forms of media are used to solicit applicants. The primary announcement is posted on the Marine Advisory Committee webpage; which is within the “Boards & Committees” link off the Charlotte County public website (www.charlottecountyfl.gov/Boards-Committees/MAC). The applicant will want to pay particular attention to the grant criteria associated with the project being applied for. Some require a cash match from the applicant. The application period usually ends on January 15.

Funding Source Selection: When applications are received, they are assigned a grant type, based on the scope of the project and anticipated revenue of each funding source. The application will be assigned to one of the 4 previously discussed grant types; BIF-S/BIF-L/WCIND/CNIF. In some cases, the project may be assigned to receive funds from more than one of the grant types. For instance, the county may approve funds from one granting source (BIF-L) to satisfy the match requirement of another granting source (WCIND).

The Application Review: In March, the MAC reviews the merits of each application and prioritizes the submissions for recommendation to the BCC. The applicant should be available at this meeting to answer questions the committee may have about the project. If a match is required for the project, a well-developed fiscal budget will be required demonstrating the applicant's ability to provide the cash match. "In-Kind" matches are not available; it must be cash. Funding sources may be changed at this point, if recommended, to accommodate special needs of funding.

BCC Review: Once the MAC recommendations are received, the applications are submitted to the BCC for review. The disposition of all MAC applications is addressed, but depending on the type of grant, they will be treated differently. Specifically, BIF-L and BIF-S funded grants will be approved at this meeting; whereas WCIND/CNIF grant requests will require additional processing. Remember, WCIND is not a county organization. So after the BCC approves the MAC application, the county must then develop a formal application to WCIND for each proposed project.

WCIND Application: For those projects approved for WCIND consideration, a formal application is submitted. WCIND only provides grant funding to a county; not to any organization. So, it is Charlotte County applying for grant funding on your behalf. As such, WCIND will be reimbursing Charlotte County; and Charlotte County will reimburse the grant recipient. The contents of the MAC application are included in the WCIND application. WCIND has a board of directors consisting of one commissioner from each of the 4 counties within its jurisdiction. The applications from all 4 counties will be reviewed and voted on. This generally occurs in June.

WCIND / Charlotte County Grant Agreement: Once the WCIND applications are approved by WCIND will enter into a contract with Charlotte County. A contract is developed for each project it will be funding. Charlotte County is considered the "recipient" of the grant. The agency that initially applied for the grant becomes a "sub-recipient". The county is basically a pass-through entity. You incur grant expenses, request reimbursement from the county, the county pays you, then the county requests reimbursement from WCIND. Therefore, reimbursement request from you must be well-presented with adequate backup documentation to demonstrate proper use of the funds. To ensure the sub-recipient follows the rules, an agreement is drawn up between the county and the receiver of grant money.

Grant Sub-Recipient Agreements: All awarded recipients of BIF/WCIND/CNIF funding will have to sign a contract stipulating the agreement between the county and the recipient. It will outline critical processes and rules that must be adhered to in order to ensure reimbursement for the expenses associated with the award. This document must be signed, witnessed, and notarized. Once the document has been signed and notarized, it will be submitted to the BCC for signature. The agreement will go into effect on October 1. **WARNING: ANY MONEY SPENT PRIOR TO OCTOBER 1 OF THE GRANT YEAR WILL NOT BE REIMBURSED.**

Grant Reimbursement Processing: The MAC grants are "reimbursement grants". That means the recipient must pay for equipment or services first; then the recipient sends an invoice to the County Fiscal Services Division – Grants Office requesting reimbursement. This invoice must have adequate backup to demonstrate the recipient received and paid for the item or service. The final expenditure must tie directly to the grant recipient. There

can be no IOU's. The agency receiving the grant funding must clearly have paid in full for the equipment or services claiming reimbursement for.

- Basic Example: Joe's Sailing has received an award of \$1,000 for child life vests. After October 1, Joe goes to the local marine supply store and purchases the vests using a Joe's Sailing check. Joe writes Charlotte County Government an invoice requesting reimbursement for the vests. As evidence of expense, he attaches the Marine Supply Store invoice with Joe's Sailing indicated as the receiver of goods, AND the cancelled check he used to pay for the vests. This ties the expense directly back to the recipient.
- The more complicated the recipient makes the purchase, the more complicated the reimbursement becomes. If Joe sends Bob to pick up the vests, and Bob uses his personal credit card, Charlotte County would need to see the Marine Supply invoice, Bob's credit card statement, AND Joe's Sailing's cancelled check showing where they paid Bob. Charlotte County cannot pay Joe's Sailing before Joe's Sailing pays Bob and the cancelled check is available. The purchase evidence must end with Joe's Sailing; not Bob.
- If Joe's Sailing uses a Joe's Sailing credit card, we need an invoice from Joe's Sailing to Charlotte County, with the backup of Joe's Sailing credit card statement AND the cancelled check showing that Joe's Sailing paid the credit card statement with the purchase on it. This shows the item or service was purchased and paid for.
- The best advice is to keep it simple.
- Some organizations conduct their own services, using their own equipment. In this case, a purchase to an outside agency is not available to demonstrate expenses. In this case, an itemized invoice to Charlotte County should be submitted. The agency's charge for each service must be provided on the invoice.
- For instance, Charlotte County Environmental Center (CHEC) provides free environmental education events for every 4th grader in the county. CHEC owns its own boats to conduct these events, and they charge \$150 for each trip, plus \$35 per student. So their invoice would show how many trips were completed with the cost of each trip, for a total item cost. It would also show the number of students taught, at the indicated price, for a total item cost. Expenditure evidence would be limited to class rosters, pictures of the event in progress, and other expenditures, such as payment to Public Schools for bus trips to CHEC facilities.
- Some organizations have expressed difficulty paying for the items ahead of the award. Unfortunately, Charlotte County cannot "front" the money to the recipient. The recipient of the award has to pay first, and receive a reimbursement for approved purchases. Fortunately, Charlotte County can generally, if paperwork is in order, turn a reimbursement around within 2 weeks of receipt.

Upon receipt of a reimbursement claim, Charlotte County will analyze the accompanying documentation for adequacy. It is the requirement of the fiscal staff to examine all claims thoroughly; not only because fiscal staff is charged with maintaining the integrity of the program, but because THEY have to use that same paperwork to claim reimbursement from WCIND. If it isn't adequate, Charlotte County may not get reimbursed. So the paper trail must be clear. Fiscal Services will contact the recipient if additional correspondence is needed. It is very important for the recipient of grant funds to retain all correspondence related to the purchase; even if it wasn't submitted as evidence for the claim. If there is not a thorough track of evidence for a claim, additional documents will be requested. Once the analysis of the claim is complete and rendered adequate, fiscal staff will order payment of the claim.

Quarterly Reporting: Recipients of Boater Revolving Funds must submit quarterly reports to Charlotte County providing project status and expenditures. This report can accompany a claim for payment, or if no funds were expended, a narrative of project status and anticipated future expenditures. Reports are required until award funding is exhausted or grant status is closed. Refer to the Sub-Recipient Agreement for additional details on annual reporting.

Annual Reporting: For capital expenditures exceeding \$5,000 in value, annual reporting is required to Charlotte County until such time as the purchased item's value is less than \$5,000. Refer to the Sub-Recipient Agreement for additional details on annual reporting.

Project Extensions: Boater Revolving Fund grants are for one year. Under extenuating circumstances, Charlotte County may authorize an extension, and these extensions will be handled on a case-by-case basis. In no circumstance will a project be active beyond 3 years.

Project Termination: Upon reimbursement of awarded funds, the project will be closed. The project may also be terminated for failure to expend grant funds or for failure to submit quarterly reports, as required. If the project is closed due to failure to comply with the agreement, all funds awarded will be deobligated and returned to the county treasury.